

APPENDIX A:


PLEDGE

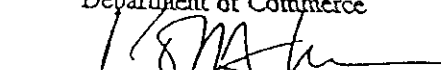
The Vice President and the National Performance Review (NPR) have established a goal of moving from red tape to results to create a government that works better and costs less. One of the NPR recommendations to reinvent Federal procurement is to expand the use of purchase cards in buying relatively small dollar value items. Purchase cards offer the potential of a more efficient, streamlined mechanism to pay for small purchases. They also provide a cost effective payment mechanism, with possible savings ranging from \$30 to over \$200 per small purchase transaction as opposed to the use of conventional payment methods. Given the volume of small purchases, millions of dollars in transaction costs can be saved each year by effective use of the purchase cards.


We, the undersigned members of the Procurement Executives Association are committed to the accomplishment of the NPR recommendation both to improve our procurement systems as well as to reduce the costs of the Government to the United States taxpayer. Accordingly, we pledge to:

- Significantly expand the use of purchase cards over levels existing in January 1993, with a target increase of at least 100% by October 1, 1994, for those agencies which have not yet made maximum effective use of the card.
- Significantly increase the number of purchase card holders over levels existing in January 1993, with a target increase in users of at least 100% by October 1, 1994, for those agencies which have not made maximum appropriate distribution of the card.
- Place the purchase card into the hands of appropriately trained line managers and other non-procurement personnel for the accomplishment of transactions under \$2,500.
- Identify and eliminate internal impediments to the maximum beneficial use of the purchase card and actively promote and support legislation to eliminate statutory impediments.
- Cooperate with each other and the Office of Federal Procurement Policy to share experiences relevant to the expanded use of the purchase card.

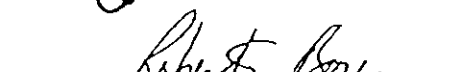
In October 1994 we will meet to assess our performance against these objectives.

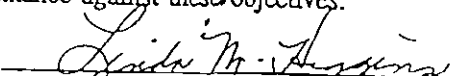

Shirl Kinney
Department of Commerce



Robert Welch
Department of Treasury

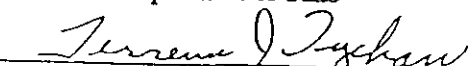

Paul Denett
Department of the Interior



General Services Administration

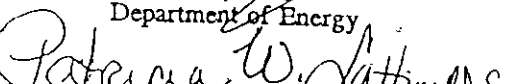

Robert Boyer
Federal Emergency Management
Association


Linda Higgins
Department of Transportation


Lloyd Pratsch
Department of State

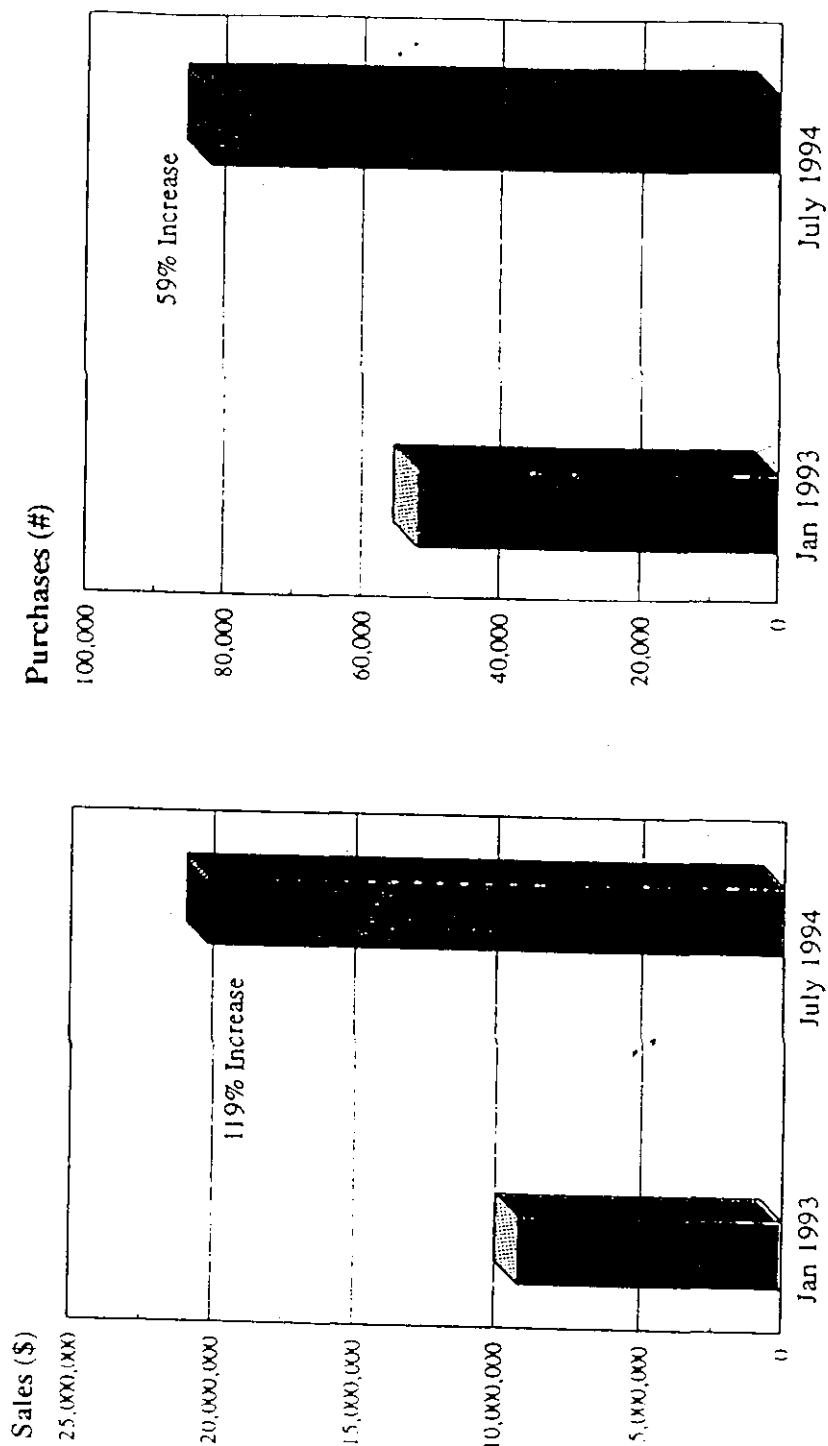

Terrance Tychan
Department of Health and
Human Services


Richard Hopf
Department of Energy


Patricia Lattimore
Office of Personnel Management

Purchase Card Growth in Agencies* that signed the Pledge

APPENDIX B:



*Departments of Commerce, Interior, State, Treasury, Transportation, Health & Human Services, Energy, General Services Administration, FEMA, and Office of Personnel Management

APPENDIX C:

CARDHOLDER SUCCESS STORIES

The Department of the Treasury reports that the card can save both time and money by permitting a cardholder to seize the opportunity for a timely purchase:

"While attempting to expeditiously purchase privacy panels for the Miami Aviation Branch Facility, I received quotes for an approximate cost of \$4,000. I located a liquidator who had overstocked brand new panels who was willing to sell them for \$2,450, including delivery and installation - provided the transaction was executed swiftly, because he sold on a 'first come, first served' basis. I coordinated the purchase with Regional Procurement, and I was able to purchase the panels with the purchase card. I saved approximately \$2,000 and at least two months processing time. This is a true success story."

Treasury also reports:

"While on an enforcement operation in Miami, the Savannah Laboratory had trouble with its mobile van. We used our purchase card to repair the van. It was Good Friday and not many repair places were open. Thanks to the purchase card, we were able to find a company that accepted the VISA purchase card, and we were quoted a reasonable price. It's good to know when we are on mobile operations throughout the country, we can rely on the card."

The Department of Commerce reports:

"The NOAA National Weather Service had requirements to hire day laborers to clean up construction sites at different locations and the vendor would not accept a purchase order. The laborers were hired on an hourly basis, so estimates were used with the understanding that the vendor would only invoice for actual hours worked. Because of time constraints the Government Purchase Card was the most logical and advantageous method for the Government to use. Requirements were received on Friday afternoon. A telephone call was placed to the vendor that same day to have laborers on site the following Monday morning."

"We were working a project for National Oceans Survey to support the Antarctica Program. A request came in for an emergency generator that had to be ordered and shipped by

March 25 to accompany persons flying out to Antarctica. An order was placed on March 24, and the generator was delivered March 25. We used the VISA IMPAC card, eliminating paperwork associated with a purchase order."

The Department of Health and Human Services (HHS) has had its share of successes with the purchase card. Here are just a few of HHS' stories:

"When the President gave the go-ahead on February 17, 1994 to inaugurate the White House Conference on Aging (WHCOA), it was necessary to establish an office from scratch in just a few weeks in leased space that was not close to HHS headquarters. Purchase cards were obtained in less than one week from Rocky Mountain Bank, enabling the WHCOA offices to be up and running quickly, with a full complement of office supplies and necessary equipment."

"The HHS Office of the Assistant Secretary for Personnel Administration was acquiring a new generation of more powerful personal computers (PC). When the installation was almost complete, it was realized that the PC's had been ordered without the "LAN chips" that would permit them to operate on the local area network. The machines that were critical to meeting payroll deadlines were quickly identified and the necessary LAN chips were procured and installed within a few days, using the purchase card (the remainder of the missing chips were procured through more ordinary channels)."

"As part of the reasonable accommodation for handicapped employees, HHS provides a braille printer to a blind personnel management specialist. Although most braille printers use paper in a 11x11 inch size, this employee preferred a more standard 8-1/2x11 inch paper, a size which is rather unusual and harder to stock. During his preparation for a speech on quality management, the paper ran out and immediate re-stocking was made using the administrative office purchase card. By relying on the purchase card for quick action, this employee's productivity was maintained at the usual high level."

From the Department of Interior's Bureau of Land Management:

"Wild Horse and Burro personnel from our New Mexico office were called in to investigate an alleged mistreated, neglected group of horses in Central Texas. The animals required immediate feed and veterinary services for their survival. One of our people had a card, which was used to obtain the services."

"A Government vehicle breaks down on late Friday afternoon. The employee, doing a range survey, is stranded in a remote off-road area, 50 miles from the nearest town. Using his radio, he contacts his office, who reaches a garage who will tow the vehicle, and the employee out of the area before dark. The garage wants immediate payment. Fortunately, the employee has a VISA card."

"A survey group was in the field obtaining geodetic data. The batteries of the satellite receiving units would not hold their charge. The crew chief decided to use his purchase card to buy cigarette lighter plug-ins for the vehicle, using the cars, so that the receivers could be plugged into the vehicle battery system. This saved several days of down time of the crew."

"An Anchorage, Alaska, employee went out to an isolated area to work. His boat motor failed. He needed immediate repairs. He found a source, but the vendor would not accept an SF-44, which he carried with him. He called the Anchorage office for help. The purchasing agent talked to the vendor, who gladly accepted the purchasing agent's VISA card as payment. The employee, previously reluctant to acquire the card, now has applied for it."

Purchase cards help the State Department at the Summit:

"The Department of State participated significantly in organizing, making logistical arrangements for, and conducting the "Asian Pacific Economic Conference" (APEC), in Seattle, Washington. Heads of State from many nations attended, including President Clinton. The Government Purchase Card was invaluable in providing a streamlined purchasing technique for related expenses such as the rental of barges and aircraft. Without the card, we would have lost many opportunities to make the arrangements we needed to make immediately and on the spot. We intend to use the card for making logistical arrangements for an upcoming Summit of the Americas."

Hurricanes, floods and earthquakes didn't stop the Department of Transportation from fulfilling their mission.

"After Hurricane Andrew hit, the President sent the Secretary of Transportation to Florida to survey the damage and assist in emergency efforts. Through a coordinated effort between the card-issuing bank and Transportation, purchase cards were issued within 18 hours to the Secretary and others. This unique situation is yet another example that illustrates the results of the successful partnership between the Government and the purchase card."

Here is an example on how the purchase card has helped FEMA deal with disaster situations:

"As soon as FEMA was put on alert regarding the southeastern floods that occurred this summer, its Office of Public Affairs shipped several pieces of video and production equipment to the Disaster Field Office (DFO). This equipment was to be used in coordination with FEMA's Mobile Emergency Response System units to perform satellite up-links and nationwide live broadcasts of the ongoing emergency situation and recovery efforts. Technicians were unable to utilize the equipment as there were some parts missing. The necessary equipment, short microphones, and audio mixers, were shipped from FEMA headquarters in Washington, D.C. to the DFO in Atlanta, Georgia via Delta Airlines. The equipment was received within hours at the Atlanta International Airport. Normally, such services are paid for by purchase orders, taking days to process. In this case, the freight charges were paid on-the-spot with the purchase card and as a result, the live satellite broadcast aired as scheduled without delay."

APPENDIX D:

PURCHASE CARD COUNCIL

<u>NAME</u>	<u>DEPARTMENT</u>	<u>PHONE & FAX NUMBER</u>
Annelie Kuhn	Treasury	202-622-0203 202-622-2273
Martha Lanigan	Treasury	202-622-0194 202-622-2273
Lynn Hudson	State	703-516-1680 703-875-6155
Kevin Mooney	Transportation	202-366-4975 202-366-7510
Enrique Aveleyra	Transportation	202-366-6115 202-366-7174
Mary Lou Benzel	GSA	703-305-6658 703-305-5094
Gary Garner	Treasury	202-874-6751 202-874-7321
Mike Colvin	HHS	202-690-7887 202-690-8772
Joseph Zimmer	OFPP	202-395-6167 202-395-5105
Nellie Cassels	Commerce	202-482-4167 202-482-1711
Gayle Fischetti	Interior	202-208-6705 202-208-6301
Leslie Brown	FEMA	202-646-4589 202-646-3695
Vivian Bethea	OPM	202-606-2240 202-606-1464
Richard Langston	Energy	202-586-8247 202-586-0545
Cleopatra Cherry	Justice/DEA	202-307-1360 202-307-7818
Tom Pospichal	Justice/FPI	202-508-8438 202-628-1597
April Nordeen	Agriculture/ARS	301-344-2878 301-344-0333